

TENNESSEE GENERAL ASSEMBLY
FISCAL REVIEW COMMITTEE



FISCAL NOTE

HB 245 – SB652

February 16, 2015

SUMMARY OF BILL: Establishes the commercial pesticide applicator recertification fee at \$250, in lieu of the current five dollar fee for each replacement card or new card issued upon completion of recertification.

ESTIMATED FISCAL IMPACT:

Increase State Revenue -

\$108,800/FY15-16 and Every Third Year/Agriculture Regulatory Fund

\$18,800/FY16-17 and Every Third Year/Agriculture Regulatory Fund

\$219,300/FY17-18 and Every Third Year/Agriculture Regulatory Fund

Assumptions:

- According to the Department of Agriculture (DOA), commercial pesticide applicators have to be certified once every three years.
- Based on information provided by DOA, approximately 463 applicators with expired certifications will be retested and recertified in FY15-16; approximately 80 will be retested and recertified in FY16-17; and approximately 933 will need to be retested and recertified in FY17-18.
- According to DOA, industry participants respond to the recertification requirement by taking the certification exam again, as opposed to affording the time and expense of sending the applicators to training for the purpose of accumulating continuing education units. In other words, recertification by re-taking the certification exam is the more cost effect way, and the less time prohibitive way, to accomplish recertification.
- Pursuant to Tenn. Code Ann. § 43-1-703(f)(4), the current examination fee for each test is \$15.
- The increase in state revenue to the Agriculture Regulatory Fund for FY15-16, and every third year thereafter, is estimated to be \$108,805 [(463 x \$250 proposed fee) – (463 x \$15 fee under current law)].
- The increase in state revenue to the Agriculture Regulatory Fund for FY16-17, and every third year thereafter, is estimated to be \$18,800 [(80 x \$250 proposed fee) – (80 x \$15 fee under current law)].

- The increase in state revenue to the Agriculture Regulatory Fund for FY17-18, and every third year thereafter, is estimated to be \$219,255 [(933 x \$250 proposed fee) – (933 x \$15 fee under current law)].

IMPACT TO COMMERCE:

Increase Business Expenditures –

\$108,800/FY15-16 and Every Third Year

\$18,800/FY16-17 and Every Third Year

\$219,300/FY17-18 and Every Third Year

Assumptions:

- The \$250 proposed fee, instead of the current \$15 fee, will be paid by 463 commercial pesticide applicator businesses for recertification. As a result, the increase in business expenditures is estimated to be \$108,000 in FY15-16 and every third year.
- The \$250 proposed fee, instead of the current \$15 fee, will be paid by 80 commercial pesticide applicator businesses for recertification. As a result, the increase in business expenditures is estimated to be \$18,800 in FY16-17 and every third year.
- The \$250 proposed fee, instead of the current \$15 fee, will be paid by 933 commercial pesticide applicator businesses for recertification. As a result, the increase in business expenditures is estimated to be \$219,300 in FY17-18 and every third year.

CERTIFICATION:

The information contained herein is true and correct to the best of my knowledge.



Jeffrey L. Spalding, Executive Director

/tdb